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SUBJECT: RWANDA, CONGO SOLICIT FUNDING FOR JOINT ENERGY
PROJECT

REF: A. KINSHASA 796
[1](#)B. KINSHASA 741
[1](#)C. KIGALI 513

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[1](#)1. (U) SUMMARY: The energy ministers from Rwanda and the Democratic Republic of the Congo (DRC) met in Rwanda on August 17 to review and solicit donor support for a potential joint Rwandan-Congolese energy project. This project is a tangible outcome of the groundbreaking August 6 Kagame-Kabila meeting. Though mostly in the idea stage, with crucial details yet to be settled, the project is an important confidence-building measure that supports the growing rapprochement between Rwanda and the DRC. END SUMMARY.

[1](#)2. (U) Under the auspices of the Economic Community of Great Lakes Countries (CEPGL), energy ministers Albert Butare of Rwanda and Laurent Muzangisa of the DRC met on August 17 in Gisenyi, Rwanda to present the rough outlines of and elicit donor support for a joint Congolese-Rwandan project to exploit methane gas in Lake Kivu, which the two countries share. The Burundian energy minister and the CEPGL acting executive secretary also participated in the session; polcouns and several other Kigali-based diplomats, international financial institution representatives, technical experts and public utility officials from all three countries attended as observers. Rwandan print, radio and television media covered the event.

[1](#)3. (U) During opening comments, Butare and Muzangisa emphasized that they had convened this meeting at the direction of their heads of state, who met on August 6 (Refs A and B). Next, participants reviewed the status of existing and planned jointly-run hydroelectric facilities on the Rusizi River (Rusizi II, III and IV), listened to a presentation on regional power transmission and responded to questions. Of note, both Butare and Muzangisa declared that if any of the three countries' national utilities failed to pay for the electricity it received, then SINELAC, the joint utility that managed the Rusizi power plants, would "cut them off." Butare specified that the three governments had agreed that national utilities would receive formal notification of this by the end of August, and if any was in non-payment status by September 10, "they will get cut off."

[1](#)4. (U) Participants next reviewed ideas and recommendations on joint Congolese-Rwandan management of Lake Kivu's methane in general, as presented by consultant Philip Morkel of Methane Hydrates Limited, a South Africa-based firm. Butare said the final document produced by Morkel and the "group of experts" was authoritative and the Rwandan government viewed

its guidelines as "the bible." Morkel and Muzangisa acknowledged, however, that the study had yet to be translated into French so the Congolese government could examine it easily. The grand finale was an overview of the estimated 200MW joint Congolese-Rwandan Lake Kivu project, to be implemented in increments of 50MW, which would cost \$400-\$450 million and rely on what they called proven technology. The two countries planned to hire within the next several weeks a consultant to conduct a feasibility study, and aimed to launch a formal request for proposals o/a July 2010.

15. (U) Responding to a question from the Burundian minister, Butare and Muzangisa assured that Burundi would be included in the Lake Kivu project, albeit as an eventual consumer rather than a direct participant. Answering the CEPGL acting Qrather than a direct participant. Answering the CEPGL acting Executive Secretary's question about CEPGL involvement, Butare clarified that the CEPGL's role would remain confined to "follow-up" and "situational awareness;" however, there was no need to create an new CEPGL "Department of Gas" to oversee or regulate the project. Turning to the question of who would pay for the Lake Kivu feasibility study and the formation of a bilateral regulatory authority, Butare said Rwanda and the DRC hoped to attract support from donors as well as the private sector. Muzangisa commented that the DRC was not concerned about Rwanda's own recently-launched, private-sector initiative to exploit Lake Kivu's methane gas (Ref C). As for the question of financing, he said, "this is why we invited donors" to attend the day's session.

16. (SBU) COMMENT: Much flesh needs to be put on the bones of this prospective joint Congolese-Rwandan venture, and it may not be easy to attract public or private-sector funding. However, World Bank President Zoellick, who recently visited

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the pilot methane gas generation site now opening in Lake Kivu, spoke highly of the potential impact of a joint project. DRC energy minister Muzangisa made a final, salient point: this project would help address the growing energy "deficit" facing each of the three CEPGL countries. And, in the short run, this energy-sharing initiative is most useful as a confidence-building measure. It underscores the growing rapprochement between Rwanda and the DRC. Rwandan officials have echoed these sentiments. END COMMENT.
SYMINGTON